

## TWO GET BOMBS.

Internal Machines Mailed to  
Schiff and Guggenheim.

### BOTH WORK OF SAME MAN?

Office Clerks, Suspicious, Open  
Them, With No Harm Done.

One Addressed to "Guggenheim" Had the  
Name Cut From a Newspaper—Was  
Made of Old Cigar Box—Exploded  
When Put in Water—Other Sent to Schiff  
Had Mark "Edward VII."—Both Made  
With Matches, Powder and Cartridges  
—Schiff's Given to Police—Experts Say  
It Could Probably Have Done No Harm.

Two seemingly serious attempts on the  
life of Jacob H. Schiff, senior member of  
the banking firm of Kuhn, Loeb & Co.,  
and some of all the members of M. Gugen-  
heim's Sons & Co. were discovered  
yesterday morning. The assassin, if such  
he intended to be, manufactured his own  
weapons and it was an infernal machine in  
each case. That no one was even slightly  
injured was due to the care exercised in  
handling the machines by the young man  
who received them in each office.

The office of M. Guggenheim's Sons &  
Co. is on the eighth floor of the Empire  
Building at 71 Broadway. Meyer Gugen-  
heim, the founder of the firm, who died  
recently, was also the founder of the Ameri-  
can Smelting and Refining Company. In  
the last mail delivered at the firm's office,  
shortly after 5 o'clock Thursday afternoon,  
was a package which bore the following  
address:

Guggenheim,  
American Smelting & Refining Co.,  
71 Broadway.

New York City.

ONE CAME LATE ON THURSDAY.  
The work of the day at the office is usually  
done by 5 o'clock and the mail of the last  
delivery is seldom opened until the follow-  
ing morning. That was the case with the  
mail delivered at the Guggenheims' office  
Thursday afternoon. It is the business  
of William J. Dwyer to receive, assort and,  
in certain cases, open the firm's mail.  
Shortly after he got to the office yesterday  
morning Dwyer looked over the mail that  
had come in on the last delivery the night  
before and found in it a package, about  
seven inches long, three inches wide and  
an inch thick, done up in brown paper  
and tied with a string.

The package attracted his attention  
because of the peculiar address. The  
firm's name had been spelled out by  
pasting on the wrapping of the package  
letters of different sizes cut from a news-  
paper.

"The jagged man or the little black man  
sent this for sure," said Dwyer, as he ex-  
amined the address. "Now I wonder what  
the devil a fellow wanted to go to all that  
trouble for!"

#### HOW THE PACKAGE LOOKED.

Dwyer looked at the package for a moment  
or two and then removed the outside wrap-  
per. Then he saw the small wooden box,  
with a piece of brown paper pasted carefully  
over the cover. At one end of the box  
Dwyer noticed the word "Smoke," and at  
the other end the words "La Rosa." Presum-  
ably, the box had been used at one time  
to hold cigars of "La Rosa" brand. Dwyer  
had a curiosity to know why if some one  
was sending the firm a box of cigars,  
he had so carefully pasted a piece of  
brown paper over the cover. Therefore,  
exercising some care, he half scraped and  
half tore the paper off.

Then he saw something that made him  
sit up and take notice. Sticking out of  
two holes in the wooden cover of the box  
were the ends of two matches. That was  
enough for Dwyer. He remembered, like  
a flash, the machine addressed to Edward  
Wasserman, and received at the brokerage  
office of Wasserman Bros. in the morning  
of July 21, and then and there he decided  
that somebody had made an attempt to  
dynamite the entire firm of M. Guggenheim  
& Sons & Co.

Dwyer called the firm's assistant man-  
ager, Mr. Trussell, and told him of his dis-  
covery and his suspicion. Trussell looked  
at the box, made straight for the wastebasket  
and filled the bowl with water. Then he  
picked up the box and carefully deposited  
it in the wash basin. A couple of minutes  
later there was a mild and gentle explosion.

#### BOX TURNED OVER TO A CHEMIST.

Trussell was taking no chances. He  
remembered that the chief chemist of the  
American Smelting and Refining Com-  
pany, C. E. Mendeloff, was in his office on  
the floor below. Before Mr. Mendeloff  
became the chemist of the American Smel-  
ting and Refining Company he was a United  
States Government expert in explosives,  
stationed at Sandy Hook. Mr. Mendeloff  
was summoned, and after the box had soaked  
a while longer he made a careful examina-  
tion of it.

The chemist found that the box was  
fitted with a cover which slid to its place in  
grooves on either side of the box. Carefully  
pulling out the cover, Mr. Mendeloff found  
that the bottom of the box was covered with  
sandpaper, as was also the lower side of  
the cover. Two snapping matches had been  
inserted through holes in the cover, so that  
when it was removed they would  
ignite along the sandpaper on the bottom  
of the box and light. Two other matches  
were inserted in holes in the bottom of the  
box in such a way that the brimstone of  
each, as the cover of the box was removed,  
would scrape along the sandpaper on the  
under side of the cover. In the bottom of  
the box was a quantity of black powder, a  
test tube containing a white colored sub-  
stance, and two rifle cartridges.

#### POWDER AND CARTRIDGES IN IT.

The test tube was lying in a bed of  
black powder.

#### IN HOURS TO CHARGE OVER

ROCK BALLAST.  
The Pennsylvania Railroad gives the passenger  
a quick transfer from New York to Chicago be-  
tween business hours over a smooth, dustless road-  
bed.—Ad.

powder, its mouth stopped by absorbent  
cotton, and the cartridges were lying on  
either side of the test tube. It seemed to  
be plain that the sender of the contrivance  
had intended that when the cover was re-  
moved the matches, scraping against the  
sandpaper, would ignite and their flame  
light the gunpowder, which in turn would  
set off the stuff in the test tube, and then  
the cartridges. Mr. Mendeloff took a whiff  
of the substance in the test tube and said  
that it undoubtedly contained, among other  
things, gasoline.

BUT TWO OF THE FIRM IN TOWN.  
The only two members of the Gugen-  
heim firm who were in town and at the office  
were Murray and Simon. A report of the  
finding of the package was made to them,  
and it was suggested that Mr. Mendeloff  
take the box to the laboratory of the Ameri-  
can Smelting and Refining Company at  
Perth Amboy and make so much of a chemi-  
cal analysis of the contents as might be  
necessary to determine the exact character  
of the powder and the nature of the liquid  
in the test tube. Mr. Mendeloff left for  
Perth Amboy early yesterday afternoon,  
and returned to New York last evening.

THE BOMB MR. SCHIFF GOT.  
The bomb sent to Mr. Schiff was so like  
that received at the office of the Gugen-  
heims as to lead to the conclusion that both  
contrivances were made and sent by the  
same person. The Schiff bomb was de-  
livered at Kuhn, Loeb & Co.'s office, 52  
William street, in the early mail yesterday  
morning.

It was done up in the same sort of brown  
paper in which the Guggenheim machine  
was wrapped and bore the following ad-  
dress: "Jacob H. Schiff, care Kuhn, Loeb  
& Co., 52 William st., city."

A rule of long standing in Kuhn, Loeb  
& Co.'s office requires that the mail for  
every member of the firm, except Mr. Schiff,  
shall be put in the respective desks of the  
members to whom it is addressed. All mail  
addressed to Mr. Schiff, however, is  
first opened by a young man who has done  
that work for several years. When he  
came to the package done up in brown  
paper he opened it, as he had the rest of  
the mail, but by accident got a view of the  
bottom side of the package first. At once  
his attention was attracted to the following  
lettering in gilt characters:

EDWARD VII.

"That was enough for the clerk and, with-  
out consulting any member of the firm,  
he notified the police of the Old Slip sta-  
tion. A couple of wardmen were sent to  
the bankers' office and took the package to  
the station house, from which, unopened,  
it was sent to the Bureau of Combustibles,  
at Fire Headquarters. There, a few hours  
later, it was examined by George Murray,  
superintendent of the bureau.

LOOKED LIKE A CHILD'S PENCIL BOX.  
Like the Guggenheim bomb, the casing  
of the contrivance sent to Mr. Schiff was a  
wooden box, but not of the kind used to hold  
cigars. It more nearly resembled the boxes  
used by school children in which to keep  
pencils. It was 7½ inches long, 1½ inches  
wide and 1 inch deep. The box had a cov-  
er of olive green paper. On one end was  
the gilt letter "M" or "W," according to the  
way the box was used.

When Supt. Murray had carefully with-  
drawn the cover he found that the sides  
and bottom of the box were covered with  
emery paper. At the opposite end from  
that in which the cover was inserted lay  
a small cylinder made of emery paper  
about the size of the test tube found in  
the Guggenheim box. The free end of  
the cylinder was stopped by a cork of olive  
green paper. When the stopper was removed  
it was found that the cylinder contained  
gunpowder, underneath which, at the  
very bottom of the cylinder, were two .32  
caliber cartridges.

As if to hold the emery paper cylinder in  
place cotton was packed around it. Three  
matches lay alongside the cylinder. In  
the fulminating end of each cartridge a  
small hole had been bored, evidently so  
that the flame from the matches, ignited  
by the emery paper on the bottom of the  
cover of the box, would explode the car-  
tridges. At the same time it was the evi-  
dent hope of the bombmaker that the cot-  
ton would also become ignited and furnish  
additional flame.

BOMB COULD DO LITTLE HARM.  
It happened, however, that the maker  
planned clumsily. The cartridges were so  
placed that the bullet ends, instead of the  
fulminating ends, were next to the matches  
and the powder. Supt. Murray said that  
the machine had, without doubt, been  
fashioned with the deliberate intent of  
working destruction. The person who  
made it, however, he added, was not  
thoroughly skilled in the use of explosives,  
and as the contrivance was constructed  
there was small chance of it doing much  
damage, even had it exploded.

Mr. Schiff is at his country place at Bar  
Harbor, and has been there for three weeks.  
It was from there that he went to Port-  
smouth the other day for conference with  
Mr. Witte, chief of the Russian peace en-  
voys. All of the other members of the  
firm of Kuhn, Loeb & Co. are in town, and  
each one of them insisted yesterday after-  
noon that the bomb incident was simply  
a joke on Mr. Schiff. Louis A. Hein-  
sheimer, in particular, insisted on taking  
this view of the case, and he was very  
much annoyed that the police and Supt.  
Murray of the Bureau of Combustibles  
fastened upon the incident to gain publicity.

At Police Headquarters, however, an  
altogether different view of the affair was  
taken. It is believed there that some crank  
or person whose mind has become deranged  
through losses in Wall Street has made  
up his mind to blow up a few financiers.  
Following this notion, Acting Captain  
McCauley, who is in charge of the Detective  
Bureau in the absence of Europe of Acting  
Inspector O'Brien, detailed Detective Ser-  
geant Arthur C. Gault to investigate both  
the Guggenheim and Schiff cases.

Carey believes that the Schiff and Gugen-  
heim machines were the work of one person  
and that the only person who could have  
made such a machine is a man who has been  
in Wall Street and has become deranged.  
He said last night that the machines in no way resembled the  
work of Rousseau or any of the other  
men who might be active while he is in prison.  
"These machines are without doubt the  
work of an insane person," said the detec-  
tive, "and in no case a person on whom  
the crazy ward at Bellevue will have  
another inmate."

SCHIFF'S SUMMER HOME GUARDED.  
BAR HARBOR, Me., Aug. 18.—Although  
Jacob H. Schiff and those about him profess  
to make no secret of the fact that they  
are in the city, a most careful guard is being kept  
over the safety of the financier at his Bar Harbor  
home. Private detectives have the cottage  
under watch and strangers are refused ad-  
mittance to the grounds. Passersby who  
show any signs of loitering are politely  
requested to betake themselves elsewhere.  
One of those about him intimated to-day  
that some machine had not been entirely  
unexpected.

## RUSSIAN REFORM.

Czar Grants People a Share  
in the Government.

### TO ELECT NATIONAL DUMA.

Right to Discuss Measures and  
Examine the State Budget.

Reservations in Certain Districts and  
Special Measures for Finland—Legis-  
lation Subject to the Established  
Institutions and the Czar's Autocratic  
Power—Emperor Expresses the Hope  
That With People's Cooperation Russia  
Will Pass Triumphantly Through Her  
Present Ordeal—Plan of the Duma.

Special Cable Despatch to THE SUN.

ST. PETERSBURG, Aug. 18.—The text of  
the Czar's manifesto on the subject of a  
national assembly, which will be issued  
to-morrow, is as follows:

"The Empire of Russia is formed and  
strengthened by the indestructible soli-  
darity of the Czar with the people and of  
the people with the Czar. The concord and  
union of the Czar and his people is a great  
moral force which has created Russia in  
the course of centuries by protecting her  
from all misfortunes and all attacks, and has  
constituted to the present time a pledge  
of unity, independence, integrity, material  
wellbeing and intellectual development  
in the present and the future.

"In our manifesto of Feb. 24, 1905, we  
called to a close understanding all faithful  
sons of the fatherland in order to perfect  
the organization of the State by establish-  
ing solidly the order of the domestic life  
of the State and of them. We devoted  
ourselves to the task of coordinating the  
elective and public institutions with the  
governmental authorities and removing  
the disagreements existing between them  
which reacted so disastrously on the normal  
course of the national life.

"The Czar, of our ancestors constantly  
had that object in view, and the time is  
come to follow out their good intentions  
and summon elected representatives from  
the whole of Russia to take a constant  
and active part in the elaboration of the laws,  
attaching for this purpose to the higher  
State institutions a special consultative  
body entrusted with the preliminary  
elaboration and discussion of measures  
and the examination of the State budget.

"It is for this reason that, while preserving  
the fundamental law regarding autocratic  
power, we have deemed it well to form a  
Gosudarstvennaya Duma [State Council]  
and approve regulations for elections to  
this Duma, extending the validity of these  
laws to the whole territory of the empire,  
with some exceptions only as may be con-  
sidered necessary in the case of some regions  
in which special conditions obtain.

"As regards participation in the labors  
of the Gosudarstvennaya Duma of delegates  
from the Grand Duchy of Finland for ques-  
tions concerning the Empire in general  
and the Grand Duchy in particular we will  
take special measures. At the same time  
we have ordered the Minister of the Interior  
to submit immediately for our approbation  
regulations for elections to the Duma, so  
that delegates from fifty governments  
and the military province of the Don may  
be able to assemble not later than the middle  
of January, 1906.

"We reserve to ourselves entirely the  
care of perfecting the organization of the  
Gosudarstvennaya Duma, and when the  
course of events has shown the necessity  
of changes corresponding completely to  
the needs of the times and the welfare of  
the empire we shall not fail to give at the  
proper moment the necessary indication.

"We are convinced that those who are  
elected by the confidence of the whole  
people, and who are now called upon to  
take part in the legislative work of the Gov-  
ernment, will show themselves in the eyes  
of all Russia worthy of the imperial trust  
in virtue of which they have been in-  
vited to cooperate in this great work,  
and that in perfect harmony with the other  
institutions and authorities of State estab-  
lished by us they will contribute profitably  
and zealously to our labors for the well-  
being of our common mother, Russia, and  
for the strengthening of the unity, security  
and greatness of the empire, as well as  
for the tranquility and prosperity of the  
people.

"In invoking the blessing of the Lord on  
the labors of the institutions established,  
with the unshakable confidence in the  
great God and in the infallibility of the  
great historical destinies reserved by  
Divine Providence for our beloved Father-  
land we firmly hope that with the help of  
God Almighty and the combined efforts of  
all her sons Russia will emerge triumphant  
from the trying ordeals through which she  
is now passing and will renew her strength  
in the greatness and glory of her history,  
extending over a thousand years.

"NICHOLAS."

Provisions for a constitution are set  
forth in the document at great length.  
The first paragraph declares that the Duma  
is established for the preliminary study  
and discussion of legislative propositions  
which, according to the fundamental laws,  
will be submitted to the supreme autocratic  
authority by the council of the empire.  
Subsequent paragraphs decree that the  
members of the Duma shall be elected  
by population, in accordance with specified  
regulations, for five years. The Duma is  
dissolvable by the Emperor before the ex-

One Night to Chicago

By the Twentieth Century Limited of the New  
York Central Lines. Leave New York 8:30 P.M.,  
arrive Chicago 8:30 A.M. morning. The fastest  
thousand mile ride in the world.—Ad.

piration of five years, and new elections  
can be ordered by imperial decree.

The length of sessions and adjournments  
are to be determined by the Emperor. The  
members of the Duma are to be defrayed  
from the imperial treasury. The President  
and Vice-President are to be elected an-  
nually from among the members. The  
President shall report to the Emperor.

The members take the following oath:  
"We promise to perform our duties to  
the best of our knowledge and ability, in  
all loyalty to his Majesty and mindful only  
of the welfare of Russia."

The members of the Duma will enjoy  
absolute freedom in expressing their opinion  
on matters within the competence of the  
Duma, and they are not responsible to their  
electors. They can only be deprived of  
liberty by order of the judicial powers, and  
cannot be arrested for debt.

Various circumstances involving the loss  
of membership are set forth, but the mem-  
bers are only temporarily barred from at-  
tending sessions if accused and prosecuted  
for crime or declared bankrupt.

The members are to get ten rubles a  
day during the session plus a specified sum  
for traveling expenses. Ministers and  
chiefs of departments cannot become mem-  
bers, but they may attend the sessions to  
make explanations. The competence of the  
Duma is thus stated:

"The competence of the Duma shall  
extend (a) to all questions relating to new  
laws and the modification or amplification  
and temporary suspension or appeal of ex-  
isting laws; also to the granting or altering ap-  
propriate to the staffs of the Ministries  
and to the expenditure thereby involved; (b)  
To departmental, ministerial and national  
budgets and to other expenditures not pro-  
vided for therein; (c) To the financial  
report of the Comptroller of the empire.  
(D) To the expropriation of any portion  
of the revenue or property of the State.  
(E) To the construction of railways by the  
State. (F) To the organization of stock  
companies involving expropriations from ex-  
isting laws. (G) To matters sub-  
mitted to the Duma by imperial decree."

The Duma is to have jurisdiction in the  
matter of taxes in provinces where there  
are no zemstvos, as well as in raising the  
rate of taxation above that provided by  
zemstvos and city councils. The Duma  
is to have the initiative in the matter of  
the repeal or modification of old and the  
adoption of new laws, but the fundamental  
law of the empire shall remain inviolable  
and not be touched. The Duma may call the  
attention of ministers and chiefs of de-  
partments to infractions of existing laws.

#### PURSuing TAX DODGERS.

People Who Swore Off in New York As-  
sessed in Suffolk.

RIVERHEAD, Aug. 18.—The New York  
State Tax Commission met here to-day in  
conjunction with the Suffolk county as-  
sessors and the Equalization Commission.  
Commissioner Stearns, chairman of the  
board; Commissioner Halpin of New York  
and Secretary Thompson of Buffalo com-  
posed the State Tax Commission.

An urgent appeal was made to the assess-  
ors to look out for the New York personal  
tax dodgers. The assessors were charged  
not to pay any attention to letters, as "noth-  
ing but affidavits count in tax matters." The  
New York City Tax Commissioners have  
sent a long list of wealthy people who  
have sworn that they reside in Suffolk  
county to the rural assessors.

The list aggregated more than \$2,500,000.  
Practically all was added to Suffolk's roll.  
Some of it was sworn off on grievance day,  
but there still remains a large portion.

The State Tax Commissioners said in their  
judgment Tammany leader Charles F.  
Murphy paid \$25,000 more for his handsome  
country estate at Good Ground than it was  
really worth. Murphy paid in the neigh-  
borhood of \$45,000 for the house. It is  
assessed at \$15,000.

#### FOOTPADS ROB WOMEN.

One Holds Her While Second Takes Cash and  
Jewelry on Bowers Bay Road.

Mrs. Annie Coleman, who lives at old  
Bowers Bay road, and Flushing avenue,  
Long Island City, was held up and robbed  
by two highwaymen late on Thursday  
night. The matter was reported to the  
police, but an effort was made to keep it  
quiet.

Mrs. Coleman, had not noticed the men  
until she was seized by them. They appear  
to have stepped out of the darkness on  
either side of her. One of them threw  
his arm about her neck and placed a hand  
over her mouth, at the same moment draw-  
ing her head and shoulders backward.

He held her helpless thus for a minute,  
while she vainly struggled against the other  
man. Her feet were partly lifted from  
the ground and she could obtain no  
leverage to fight from.

The second man tore her watch from  
her pin. It was a valuable gold one. Her  
pin was torn from the collar of her waist  
and her handbag was taken from her. On  
one of her hands was a ring with a valuable  
stone. This was revealed to the thief  
when she seized the hand over her mouth.  
He grabbed her hand, twisted the finger  
back, almost breaking it, and slipped the  
ring and a small gold guard ring from the  
finger.

Then at a word from the man who did  
the stealing the other let go of her, at the  
same time giving her a swing and twist  
which almost threw her down. By the time  
the frightened women could scream the  
men were some distance away and were  
out of sight before any one appeared from  
houses near by. In the satchel was about  
\$200.

#### ROOSEVELT FAMILY PICNIC.

President and Boys Row to Lloyd's Neck  
—Kermit Goes West.

OYSTER BAY, Aug. 18.—President Roose-  
velt and his family went on a picnic to-  
day to Lloyd's Neck, about eight miles beyond  
Sagamore Hill. The party went by boat,  
and the President and his boys did the row-  
ing. They left in the morning and did not  
return until late in the afternoon.

Kermit Roosevelt left to-day for Dead-  
wood, S. D., where he will spend three or  
four weeks on the ranch of the President's  
old friend, Seth Bullock, the ancient cowboy.

#### BRINGS HER OWN MUSIC TEACHER.

Wealthy New York Woman Pays Antonio  
Mielke \$5,000 to Leave Berlin.

Special Cable Despatch to THE SUN.

BERLIN, Aug. 18.—A wealthy New York  
woman who had been taking music lessons  
from Antonio Mielke, wishing to continue  
his services after returning home, engaged  
him until Sept. 1, 1906, for \$5,000. Mielke  
has already sailed for the United States.

Insist upon having Burnett's Vanilla.—Ad.

## ROOSEVELT NOW

TO TAKE A HAND

### Peace Envoys, in Deadlock,

Will Talk It Over With

the President.

### RECESS UNTIL TUESDAY.

Can't Agree on Indemnity or

Limitation of Russian

Naval Power.

Witte Argues Against Such Humbling of  
Russian Pride, but Japanese Remain  
Firm in Their Demand—Hope That  
Further Instructions From Tokio or  
St. Petersburg Will Relieve the Situa-  
tion Before the Conference Reassembles—  
Belief at Portsmouth That  
Roosevelt Will Have the Support of  
France and Germany in His Efforts to  
Smooth the Way for an Agreement—  
Secretaries to Prepare Protocols on  
the Terms Already Adopted—Provision  
Made to Continue the Sessions at Least  
Until Wednesday—Witte Pleased at  
News of Czar's Grant of Reforms.

PORTSMOUTH, N. H., Aug. 18.—President  
Roosevelt has determined to make a final  
effort to prevent the peace negotiations  
from ending in failure.

It is expected that he will have a con-  
ference within the next two days with the  
representatives of Russia and Japan for  
the purpose of impressing on them the  
necessity of reaching an amicable agree-  
ment.

At this writing nothing more can be said,  
but the above information may be accepted  
as authentic.

#### ENVOYS ADJOURN TO TUESDAY.

The peace conference has adjourned until  
next Tuesday, ostensibly to give time for  
the preparation of a protocol setting forth  
the terms of agreement and disagreement.

According to the Russians the exchanges  
are at an end and there will be no peace.  
The Japanese, however, maintain through  
their spokesman that there is still hope.  
They base this opinion apparently on the  
belief that their opponents are bluffing  
and will make concessions rather than see  
the negotiations fail.

But nobody seems to know definitely  
what Tuesday has in store. In the four  
days that will elapse before the Russian  
and the Japanese envoys reassemble they  
will communicate with their respective  
governments and there will be plenty of  
time to receive responses. There can be  
little doubt that it was to afford this op-  
portunity for consultation with St. Petersburg  
and Tokio that the plenipotentiaries agreed  
to such a long recess.

The chance for peace has grown stronger  
with the continuance of the conference,  
in spite of statements to the contrary from  
those most concerned, and it is believed  
that one more effort will be made, when the  
envoys face each other again, to reach  
a satisfactory understanding.

#### TIME FOR OUTSIDE INFLUENCE.

The four days recess is important in  
another particular. It will permit an  
interchange of views between the neutral  
Powers. Among those at Portsmouth  
whose opinions are worthy of notice there  
is a general expectation that every effort  
will be made by some of the great European  
nations and the United States to establish  
a common ground for bringing influence  
to bear upon both Russia and Japan to  
prevent the conference ending abortively.

From the very first the belief has been  
prevailing here that President Roosevelt,  
to whose initiative the present exchanges  
are due, would not stand idly by if he were  
confronted by the fact that the plenipo-  
tentiaries of the Far Eastern belligerents  
were to adjourn without having accom-  
plished the momentous task which brought  
them to America. In the understanding  
that prevails to-night, namely that the con-  
ference will be barren of results if some-  
thing to change present conditions is not  
done, now is the time for the President to  
act. Should he again assume the initiative  
he would without question have the cordial  
support of the German Kaiser and perhaps  
of the President of France. The best un-  
official opinion is that he will act.

#### INDEMNITY AND LIMITATION THE ISSUES.

The real crisis in the negotiations is  
now in progress. Mr. Witte and Baron  
Rosen, the Czar's emissaries, are rep-  
resented by those who seem to have their  
confidence as having gone to the limit of  
their instructions. They can go no further,  
it is asserted, without additional advice  
from their imperial master.

As for the Japanese plenipotentiaries,  
nobody with the exception of themselves  
and the few who maintain intimate official  
relations with them is aware of what  
they intend to do. They are silent, un-  
fathomable. If they have more cards to  
play they are keeping the fact to them-  
selves. Much may depend in the final  
outcome of this great history making  
game upon the attitude they will display  
when a break appears to be certain.

#### JAPAN'S DEMANDS FOR INDEMNIFICATION FOR

THE SKYLIGHT ROOM.

A masterpiece of short-story writing by O.  
Henry is to-morrow's Sunday World.—Ad.

the cost to which she has been put to proce-  
cute the war and for the limitation of Rus-  
sia's naval strength in the Far East are  
the rocks which threaten the ship of peace  
with its two strangely adorned crews.

If all that is being said to-night in the  
lobby of the Wentworth is to be believed,  
the ship is already on the rocks, with no  
hope of salvation. The envoys have utterly  
failed to agree upon these two points of  
dispute. There are other "notes of di-  
vergence," but indemnity and limitation  
overshadow them.

The question of the cession of Sakhalin  
Island to Japan has not been officially dis-  
posed of, but it will be adjusted without  
difficulty if an agreement is reached upon  
the more important subjects.

#### THE INTERNED SHIPS.

The same applies to the matter of the  
Russian warships interned at neutral  
ports, which Japan demands as prizes of  
war. The basis of agreement upon this  
point has been found in the fact that Japan  
has not insisted upon the possession of all  
her enemy's war vessels now in the custody  
of neutral nations, but only those which  
had participated in engagements and were  
obliged to take refuge in friendly ports to  
save themselves from capture or destruc-  
tion.

Among the vessels in this limited category  
are the three cruisers of Rear Admiral  
Enquist's squadron which sought safety  
in Manila Bay after they had sustained  
serious injury in the battle of the Sea of  
Japan.

Under the Japanese proposal the cruiser  
Lena, now interned at the Mare Island  
Navy Yard, near San Francisco, and  
other Russian vessels which placed them-  
selves under the guardianship of the Chinese  
Government in the earlier stages of the  
war are not claimed.

The Japanese demand for fishing rights  
in the waters of Siberia, opposite the island  
of Sakhalin, was disposed of to-day, the  
Russian envoys conceding what their oppo-  
nents sought.

This then leaves only the demands re-  
lating to indemnity and the limitation of  
Russian naval strength as formidable ob-  
stacles to be overcome before peace can  
be restored, although the Czar's mis-  
sionaries contend that Sakhalin can be added.

#### JAPAN'S WISH NOT STATED.

The Russians maintain as stoutly as ever  
that they will not pay a penny to Japan,  
but they probably would consent to  
reconsider that position if the Tokio Gov-  
ernment would modify its attitude by  
suggesting a compromise on a reduction  
of prices. At least that is the feeling here  
in Portsmouth, where one hears much that  
seems to bear the earmarks of authority,  
but whose source cannot be traced.

When the indemnity proposal was under  
consider